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TAGS: PREL EU KU
SUBJECT: KUWAIT: CONSULTATIONS WITH EU TROIKA

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¶1. (SBU) On February 11, Ambassador met with his counterparts from Austria, Germany and the United Kingdom in the EU Troika format for a round of regular consultations. (The EU Commission does not have a resident rep in Kuwait.) Main points of the discussion are contained below.

¶2. (SBU) The EU hopes to finalize its free trade agreement with the GCC by May of this year. Remaining issues appear to be trade-related technical ones. The unofficial boycott of Danish products in some Gulf states is a wild card and it is too early to predict whether it will impact finalization of the negotiations. Not related to the trade agreement, the European Central Bank is providing some assistance to the GCC on issues surrounding creation of a common currency.

-- The EU "Strategic Partnership" with Gulf states, (an offshoot of the Barcelona Process), is weak, due to lack of leverage through aid programs and lack of interest among Gulf states, which prefer to focus for now on the trade accord. The UK has the most active bilateral set of initiatives with Kuwait among the EU states. Part of this is through its program titled "Engagement with the Islamic World."

¶3. (SBU) The Ambassador highlighted the following issues:

-- In response to questions, he noted the slow progress so far in the Trade and Investment Framework Agreement between the U.S. and Kuwait, thus not permitting progress on an FTA.

-- Ambassador noted MEPI support for women's programs in anticipation of the 2007 elections and encouraged coordination with the EU. (So far, it appears that only the UK has a substantial program of this type. It is supporting women entrepreneurs and, separately, youth entrepreneurship. We coordinate with the UK Embassy separately.)

-- Ambassador provided a review of the progress on Trafficking in Persons issues, noting that shining an international spotlight on the use of child camel jockeys has practically eliminated this abuse in a short time. He described better treatment of domestic labor as the main focus of U.S. efforts in Kuwait in 2006. He asked his counterparts to urge their capitals to take another look at how to engage the GOK and others on TIP issues.

¶4. (SBU) The Ambassador and Troika also exchanged views on the prospects for the new team of ministers in Kuwait and discussed Kuwaiti reaction to Iran's nuclear ambitions.
LeBaron